



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

FEB 11 2015

Jason Cabel Roe
Revolvis Consulting, Inc.
1029 K Street, Suite 44
Sacramento, CA 95814

RE: MUR 6712
Kreegel for Congress

Dear Mr. Roe:


The Federal Election Commission reviewed the allegations in your complaint received on January 4, 2013. On February 10, 2015, based upon the information provided in the complaint, and information provided by the respondents, the Commission decided to dismiss the complaint and close its file in this matter. Accordingly, the Commission closed its file in this matter on February 10, 2015.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). The Factual and Legal Analysis, which more fully explains the Commission's finding, is enclosed.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 52 U.S.C. § 30109(a)(8) (formerly 2 U.S.C. § 437g(a)(8)).

Sincerely,

General Counsel

BY: 
Jeff S. Jordan
Assistant General Counsel
Complaints Examination and
Legal Administration

Enclosure
Factual and Legal Analysis

FACTUAL AND LEGAL ANALYSIS

MUR 6712.

This matter was generated by a complaint filed by Revolve Consulting, Inc. on January 3, 2018, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "FECA"), and Commission regulations by Kreegel for Congress and Alan Childers in his official capacity as treasurer. It was scored as a relatively low-rated matter under the Enforcement Prioritization System, a system by which the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue.

A. Factual Background

The Complainant in this matter, Revolvix Consulting, Inc. (“Revolvix”), alleges that Kreegel for Congress and Alan Childers, in his official capacity as treasurer, (collectively, the “Committee”)³ violated the Act and Commission regulations by failing to report a debt in the amount of \$49,762.63 for consulting services that Revolvix rendered to the Committee. Compl. at 2. Complainant asserts that “during the time period covered by the [2012] October Quarterly Report,” Revolvix entered into an “oral agreement” with the Committee to provide campaign consulting services in exchange for payment. *Id.* at 2, 3. Complainant states that the debt was

³ The Committee is the principal campaign committee of Paige Vanier Kreegel, unsuccessful 2012 primary election candidate for Florida's 17th congressional district.

1 incurred and “remained outstanding” during the 2012 October Quarterly reporting period, and
2 that the Committee failed to disclose the debt on its 2012 October Quarterly Report. *Id.* at 3.

3 Attached to the Complaint is a copy of a “Proposal for Consulting Services,” signed by
4 Jason Cabel Roe, president of Revolvis, and dated October 25, 2012.⁴ *Id.*, Ex. B. Also attached
5 to the Complaint are copies of two apparent collection letters to the Committee from counsel for
6 Revolvis. *Id.*, Ex. C. One letter, dated November 30, 2012, requests the remittance of
7 \$24,775.63 and includes several invoices for services allegedly rendered by Revolvis on behalf
8 of the Committee. *Id.* The letter indicates that the Committee has “not denied” the amount that
9 is due, and that the Committee has requested that Revolvis settle for a lesser amount “by
10 accepting the remaining funds left in the [campaign’s] account.”⁵ The second letter, dated
11 December 17, 2012, requests the payment of \$24,987.00 and includes a December 13, 2012
12 invoice for services allegedly rendered by Revolvis on behalf of the Committee. *Id.* Both letters
13 state that the outstanding balances have not been paid “despite repeated requests.” *Id.*

14 In its Response, the Committee states that it is aware of “claims” made by Revolvis on its
15 behalf, but that “said claims were disputed and otherwise categorically denied as due and
16 owing.” Resp. at 2. The Committee asserts that Vickie Potts, the treasurer at the time of the
17 alleged activity, was “unaware” that Commission regulations require political committees to
18 report disputed debts. *Id.* The Committee states that, upon learning of the Complaint in this
19 matter, it promptly amended its disclosure reports to include “other debts that were disputed.”
20 *Id.*

⁴ This document was not signed by a representative of the Committee, and contains a date subsequent to when the alleged services were provided. *Id.*, Ex. B.

⁵ Included with the November 30, 2012 letter is apparent email correspondence between Kreegel and a representative of Revolvis, in which Kreegel noted that “there are vastly more invoices [from Revolvis] than there is cash in the campaign account to pay for them.” *Id.*

B. Legal Analysis

Under the Act and Commission regulations, political committees are required to continuously report outstanding debts and obligations owed by the committee until such time as the debt or obligation is extinguished. 52 U.S.C. § 30104(b)(8) (formerly 2 U.S.C. § 434(b)(8)); 11 C.F.R. §§ 104.3(d), 104.11(a). If a debt is disputed, a political committee is required to disclose any amount the committee admits it owes and the amount the creditor claims is owed until the dispute is resolved. 11 C.F.R. § 116.10(a).

The Committee's original 2012 October Quarterly Report does not disclose any debts owed to Revolv; however, its Amended 2012 October Quarterly Report discloses \$27,275.63 in total outstanding debt to Revolv as having been incurred during the October Quarterly filing period. *See* 2012 October Quarterly Report, filed October 13, 2012; Amended 2012 October Quarterly Report at 69-71, filed January 24, 2013. The Amended October Quarterly Report also discloses a total outstanding debt of \$24,987.00 to "Magma Creative, Inc." for services rendered during the October Quarterly filing period.⁶ *See* Amended 2012 October Quarterly Report at 68-69. Moreover, the Committee's subsequent filings to date continue to disclose \$27,275.63 total debt owed to Revolv and \$24,987.00 total debt owed to Magma Creative, Inc.; however, none of the transactions are classified as "disputed."

In light of the remedial action taken by the Committee in amending its reports shortly after being notified of the Complaint, and the Commission's priorities and resources, relative to other matters pending on the Enforcement Docket, the Commission dismisses this matter pursuant to its prosecutorial discretion under *Heckler v. Chaney*, 470 U.S. 821 (1985).

⁶ This appears to be the same amount itemized on the December 13, 2012 invoice from Revolv, which indicates that \$24,987.00 is owed to Revolv for "Television and Radio Production Services Provided by Magma Creative." *See* Compl., Ex. C.